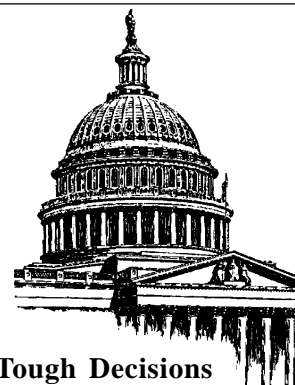


*Inside: Taking the good with the bad--Decisionmaking on the FY 2000 VA/HUD Appropriations Bill*

# Lynn Rivers' Capitol Corner

106th Congress, October Edition

A newsletter by Congresswoman Lynn N. Rivers representing Michigan's 13th Congressional District



October 1999

Dear Friends,

*How do I make a decision on a bill that gives to the 13<sup>th</sup> District with one hand, and takes away with the other? This past month, I had to answer this question again in the vote on the FY 2000 VA/HUD Appropriations Bill (H.R. 2684). It was one of my most difficult decisions during this year's appropriations process. This month's newsletter discusses my decision-making process on the VA/HUD bill and on bills that present similar dilemmas.*

*If you would like to speak to me regarding these - or any other issues - please drop by one of my events in the 13<sup>th</sup> District. I look forward to seeing you there.*

Sincerely,



Lynn N. Rivers

## Tough Decisions

The VA/HUD bill is one of the largest and often controversial domestic appropriations bills. It funds the programs and activities of the Veterans' Affairs (VA) and Housing and Urban Development (HUD) departments, the Environmental Protection Agency (EPA), NASA, the National Science Foundation, and the Federal Emergency Management Agency (FEMA). This year, the appropriations process for this bill was particularly difficult, because the budget caps imposed by the 1997 Balanced Budget Act limited domestic discretionary spending across the board.

The FY 2000 bill proposed a substantial increase in VA spending, and a decrease in HUD spending. This month's articles reflect the effects of this bill on constituent groups, and how I made my decision.

## Taking the Good--Helping Veterans

When I go home every weekend, I often have the opportunity to meet with some of the 52,960 veterans in the 13<sup>th</sup> District. Our conversations in the past several years have been peppered with concerns over the transitions they are seeing in the Veterans' Administration. Two years ago, the VA budget was frozen in an effort to spur administrative and service provision restructuring. The budget constraints have had their intended effect, but many feel that the cuts were too severe. They point to hiring freezes, bed reductions and facility closings throughout the nation. Congress decided to temper these budget cuts this year by proposing a \$1.7 billion increase in veterans' medical care spending. Rep. Bob Stump, Chairman of the Veterans Affairs Committee, called the increase "unprecedented," but some of the veterans reserved their applause.

(Veterans, page 2)

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(**Veterans**, from cover)

The veterans groups painted a bleak picture of the future of VA medical services. Without a substantial infusion of funds, they foresaw a future of closed facilities and inadequate care. Though the \$1.7 billion increase was seen as a step in the right direction, they wanted more allocated to the VA. The VFW, American Legion, Disabled Veterans of America, and several other veterans groups proposed their own VA budget for FY 2000 with a \$3 billion increase. They estimated that the costs of required pay increases and inflation alone would be \$807 million, leaving little room for programmatic improvements. They urged me to fight for a larger increase than was allocated under the House bill.

Paul Scheel, Associate Director of the Ann Arbor Veterans' Hospital, is concerned about what continued operation under a budget freeze would mean. Michigan's veterans hospital network is operating at a deficit. Last year, the VA told hospitals that they would have to choose an income/status classification at which to cut off services, in order to provide care to lower income veterans with few other resources. The \$1.7 billion budget increase would reduce the network deficit by 50%, and allow them to continue to serve all veteran classifications.

Other proponents of the bill have pointed to the ways in which it will improve access to non-VA emergency care, increase assistance to homeless vets, and expand treatment for vets with Hepatitis C.

"Each year that you don't have a net increase, there will be new pressures," said Scheel, "but they are not insurmountable. We are trying to keep the budget at a level at which we can at least keep our snorkels above water."

After hearing from veterans and

service providers, I clearly could not support another year of inadequate VA funding. The more difficult question was whether to support the proposed budget or hold out for the extra \$1.3 billion requested by veterans groups.

#### PROS

- ◆ \$1.7 billion for VA medical care
- ◆ 7% increase in non-emergency funding for FEMA
- ◆ 25% increase for veterans' readjustment benefits
- ◆ \$106 million more than requested for the EPA

#### CONS

- ◆ 3.3% less than FY 1999 for VA/HUD appropriations overall
- ◆ \$2 billion less than requested for housing programs
- ◆ 7% less than FY 1999 for NASA
- ◆ No funding for AmeriCorps

### ...With the Bad-- Effects on HUD Programs

The unfortunate flipside of the VA/ HUD appropriations bill was a proposed reduction in the Housing and Urban Development (HUD) budget. Community leaders expressed concern about how their programs would be affected.

The bill includes a 6% reduction in the Community Development Block Grant (CDBG) program, which is administered by HUD. The CDBG program is one of the largest and longest-standing federal block grant programs. In FY 1999, the CDBG appropriation was \$4.75 billion.

These funds go to every community in the 13<sup>th</sup> District, either directly from the federal government or through state grants which are supported by federal funds. States and local governments can use CDBG money to foster a range of housing and economic development activities that benefit low and moderate income residents.

The appeal of CDBG money is not only its magnitude, but the flexibility local governments have to set their own spending priorities. "It's a great grant in terms of cities," said Eileen Ryan, Director of the Community Development Department in Ann Arbor. "For every community that gets funding, how to spend it is totally a local decision." For example, Ann Arbor chooses to focus its efforts on housing. As in many parts of the 13<sup>th</sup> District, Ann Arbor's recent prosperity pinches long-time lower income residents by raising their rents and property taxes. The city devotes most of its CDBG money to housing and homeless shelter programs that keep seniors and low income residents in their homes.

Expanding low-income housing development is the top priority on Ryan's wish list, but she said that the reality under the VA/ HUD appropriations bill may be a sharp cut. Ann Arbor has a grant agreement with HUD to maintain human services programs' funding levels. Because the city cannot spread the burden of a decreased budget to human services agencies, the CDBG cutbacks will have to be taken out of established housing programs.

Westland also receives CDBG

(HUD, from page 2)

## Community Clippings



Watch your mailbox for your Social Security Personal Earnings and Benefit Estimate Statement. The statement, distributed to working Americans 25 and older, estimates the retirement, disability and survivor benefits you may be eligible for now and in the future. Expect the statement 90 days before your birth month. Look over it carefully:

- Check information against pay stubs, W-2 forms and tax returns to make sure all earnings are correct.
- Make sure each year you worked is included.
- If you see an error, call the Social Security Administration at 1-800-772-1213.
- For more information, go to the Social Security Administration's web site: [www.ssa.gov](http://www.ssa.gov)

money directly from HUD. Over the past twenty years, James Gilbert, Westland's Community Development Director, has used CDBG money to turn a community center in one of Westland's most distressed areas into the nucleus for a diverse set of services-- a drop in center for kids, a substance abuse and family counseling center, and a surplus food distribution site, among other uses. Beyond the walls of this building, he works in partnership with local agencies to support senior services, public infrastructure improvements and housing rehabilitation. Right now, one of his daily concerns is that cuts will affect his already strapped community programs.

Like James Gilbert and Eileen Ryan, I was concerned about the extent to which funding reductions in the proposed VA/HUD appropriations bill will limit their efforts, and similar programs throughout the district. Can I vote for a bill that could be detrimental to community development programs?

## My Decision

My discussions with and letters from groups affected by this bill gave me no clear answer to my dilemma. The conversations reminded me of the criticisms I heard during the President's impeachment hearings. Lifelong Democrats and long-time supporters came to me with widely disparate views on the issue: some were furious that I defended the President, others felt that I did not defend him enough, and still others were upset that I shared Rep. Tom Delay's (R-TX) perspective. Like the impeachment hearings, it seemed that regardless of how I voted, I could not please any group. Nonetheless, I had to make a decision on the VA/HUD bill that would best serve the District.

I weighed the pros and cons of the bill, and the political realities of the 106<sup>th</sup> Congress. I knew that with the budget caps, cuts in domestic spending were probably inevitable. But, I felt that they did not need to be as severe as proposed. At the same time, the VA budget had been frozen for two years. I appreciated that this bill would give veterans back some of their former funding.

While I had sincere reservations, I ultimately decided to vote for the first draft of the bill. I am a strong supporter of our veterans, and the bill presented a unique opportunity to shore up their medical services. The amount may not be as high as was requested by some veterans' advocacy groups, but it is a legitimate step up. However, I cannot abide the cuts made to HUD and other agencies. After the House and Senate reconcile their bills, there will be a vote on the conference report. If these problems are not resolved, I will vote no on the conference report.

### Lynn Rivers' Capitol Corner

If you would like to receive this monthly newsletter in the mail, please return the form below to:

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(Mr./Mrs./Ms.)

Name

Address

City, Zip

**Lynn is hosting the following events in October:**

**Please Note:**

Lynn's November Women's  
Forum, co-sponsored by  
Congressman John Dingell, is  
postponed until after the new  
year.



**Forum**



*Nuclear Disarmament*

**Monday, October 11**

7:00pm-9:00pm

Washtenaw Community College

Morris Lawrence Building, Room 101

4800 E. Huron River Dr.

Ann Arbor



**Coffee Hour**

**Friday, October 8**

2:30pm-4:00pm

The Pickle Barrel

10256 Willis Rd.

Willis



**Town Hall**



**Saturday, October 23**

10:00am-11:30am

Westland Friendship Center

1119 N. Newburg Rd.

Westland

U.S. HOUSE OF REPRESENTATIVES

Washington, DC 20515-2213

Official Business

*Lynn N. Rivers*

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